

## **Executive Committee Meeting Minutes – Monday, February 16, 2004**

Chairman Dwyer called the meeting to order at 8:32 a.m. and led the committee in the Pledge of Allegiance.

**Present:** Chairman James Dwyer, County Board Supervisors Patricia Haukohl, Kenneth Herro, Walter Kolb, Richard Manke, Duane Paulson and Duane Stamsta.

**Staff Present:** Chief of Staff Lee Esler, Legislative Policy Advisor Dave Krahn, Legislative Policy Advisor Mark Mader, Office Services Coordinator Windy Jicha.

**Also Present:** Senator Ted Kanavas, Director of Public Works Rich Bolte, Sheriff Dan Trawicki, Director of Administration Norm Cummings, Parks System Manager Jim Kavemeier, Planning and Zoning Manager Dick Mace, UW- Extension Director Marcia Jante, Evaluation Consultant Jan Wilberg Ph.D., Community Development Coordinator Glen Lewinski, Supervisor Joe Griffin, Supervisor Bill Mitchell, Supervisor Rodell Singert, Supervisor Mareth Kipp, Supervisor Bonnie Morris, Chief of Staff Allison Bussler, County Executive Dan Finley, Supervisor Hank Carlson, Corporation Counsel Tom Farley, Lobbyist for Outagamie County Mark Wadium, County Board Supervisory Candidate Andrew J. Kallin, Budget Specialist Linda Witkowski, Director of Parks and Land Use Dale Shaver, Senior Financial Analyst Clara Daniels, Program Assistant Nancy Mojica, Building Projects Manager Dennis Cerreta, Captain Meg Schnabl, Jail Administrator Mike Giese, Inspector Bob Johannik, Deputy Inspector Steve Marks.

### **Correspondence**

Chairman Dwyer reviewed and distributed the list of correspondence. He said Supervisors should request copies of the listed items from Jicha.

### **Approval of Minutes**

**MOTION:** Herro moved, Stamsta second, to approve the minutes of the February 2, 2004 Executive Committees meeting as amended. **Motion carried:** 7-0.

### **Wisconsin Counties Association Report**

Haukohl reported on her experiences at the WCA Legislative Exchange on February 10 and 11, 2004. She said they had great round table discussions at the Exchange. One discussion focused on how to improve economic situations and featured Waukesha County Executive Dan Finley. The second discussion she attended was on the state status in the budget process and featured such speakers as Mary Panzer, Jim Kneser and Dean Koffer. She went on a trip to the capital building to talk to legislators. Legislators were encouraged to take a second look at TABOR and how it affects counties.

### **Assembly Joint Resolution 55 Regarding Proposed Constitutional Amendment on a Taxpayer's Bill of Rights (TABOR)**

The committee members introduced themselves to Senator Kanavas. County Executive Finley sat at the head of the table with County Board Chairman Dwyer.

Kanavas said the intentions of the Senate are to take time with this and bring local governments into the discussion immediately. Senator Fitzgerald and Harsdorf are building a work group around this issue. People are interested in what TABOR has done for states like Colorado and how it has slowed the growth of government. It also has given people a better idea of the size of government and what is needed. It is attractive to have TABOR for people and business.

Kanavas said we need to take time to get people involved. This is a constitutional amendment and we take it seriously. We are going to see if this is going to work for Wisconsin. His office will work with Waukesha County to make sure there is synergy between the state and the board. The assembly bill is dead. When you look at the components of the bill, there are too many Colorado-based items in the bill and not enough Wisconsin specific items. We're interested in getting to a model where Wisconsin doesn't lead in

government and taxes but rather in business growth and opportunities for citizens. We have a responsibility to build something that will work regionally. Taxes do matter and people do make decisions based on taxes. We have to be careful and thoughtful and put together a model that will work. It is a process and it has started.

Dwyer said the tax freeze campaign has really grown. It is hard to convince people that in order to freeze taxes there is a corresponding expense. Kanavas said if you ask people if they want taxes or services frozen, most will say freeze taxes. The size and scope of government in Wisconsin is too large. We can't tie the counties' hands and then say we are going to put caps on things. When we do these things, it needs to be done with a baseline of services. Something has to be done about mediation/arbitration, health care and mandates.

Dwyer said he thinks a constitutional amendment is a very serious way to attack this issue. Making changes through legislation seems like a better idea. As a constitutional amendment, this is something that we are going to live with for a long time. It takes five years to change. We need to remember in Waukesha County that we are one exit away from reality. What happens in this region affects our county more than any other. We do over-match what goes on in the state. The state mandates Waukesha County to do work and then doesn't provide the funding. We end up picking up the work and increasing property taxes. Would you want court services funded by local property taxes? Dwyer said he guesses that 90% of people would say no. Kanavas said it's wrong to cover the cost of courts with property taxes. The state should pay for these costs. What should the role of county government be? We need to define the roles of state and local governments. People are going to come to you and say they want less services if it means less taxes. If you want to fight the issue of services versus taxes, you will lose.

Finley agreed that Wisconsin is a high tax state on all levels and we need to get those down. Taxes are important. Companies have issues but taxes aren't the only thing driving business decisions. Businesses are also interested in many other things such as zoning, emergency services, etc. Kanavas said when he founded his business he had to decide where to base his company, in Wisconsin or California. The employees wanted to live in California because at the time personal taxes were lower. There are many components that go into taxes and services. You can't ignore the role taxes play.

Finley said he hasn't seen any actions that deal with the other side of the equation such as service delivery or taxes. Kanavas said his biggest thing is that government is too big. Finley said he wants to hear that Waukesha County doesn't need to do something, education, roads, HHS, etc. He hasn't heard that news come out the legislators. You have to stand up and say what is important. Finley said to control taxes with a constitutional amendment is a problem. It is a statement of our fundamental rights in Wisconsin. TABOR seems to be happening because you can't get a property tax freeze past a democratic governor. Finley has a huge problem with using the constitution in this way. He is open-minded with what TABOR will provide but he has a problem with the constitutional amendment. If TABOR were connected with a reform package then we would have a deal. If we take only the TABOR piece, there won't be support from local government.

Kanavas said he could only support TABOR with mandate relief. A plan that includes driving down costs for mediation/arbitration, mandates and flexibility of healthcare. We can't be all things to all people all the time. Finley said the push is only on the front of taxes. There's no constitutional amendment on mandate relief, mediation/arbitration or healthcare costs.

Kanavas said AJR 55 isn't going anywhere but the concept is alive and well. You can't support it without being aware of what you are doing to the constitution. TABOR has worked in other places. If you have a shrinking private and business sector, you can't expect the private sector to pay for the public sector.

Dwyer said you signed onto Senate Bill 119, which is another mandate that makes local government pay for litigation. As we are working on lines of communication, we need to talk about this one. Kanavas said if someone in law enforcement in the line of duty does something and is sued, the county or local municipalities would be obligated to pick up the legal costs. What municipality isn't going to back up the law enforcement and first responders? Dwyer said the problem is that we are mandated to pay for this.

Manke said he is disappointed in the fact that we don't tell people how good we have it in Waukesha County. When he looks at his property tax bill, he knows what he is getting for his money. When he sends his taxes to the state, he doesn't know what he is getting. The big thing in Waukesha County that is holding us back is that we don't have legislation to make us consolidate services. He thinks the message from the state is to build a new prison and staff it. That seems to be the solution. He thinks there's a better way to spend that money. Several referendums have been passed recently that he hasn't seen any results. Our government is the best system for the state that money can buy. It is ridiculous to spend \$1 million on a campaign for a \$50,000 per year job.

Kolb said in general he agrees with Kanavas' philosophy. The one thing that is loud and clear, is that we can't afford the taxes any more. The basics should go from family budgeting to the highest forms of government. When his business is hurting, he has to look at the budget and make adjustments. The state needs to look at that also. There are signs that say we need tax relief. People will ask why should we be contributing money to situations that they have no involvement in such as unfunded mandates. Everything that comes from the state level that is mandated should come with money. If it doesn't, the county should be able to decide we aren't going to do it. If we do decide to do it, we should find a way to afford it without raising the taxes. Everyone in the room has a different thought on what social services should be. These things have to be looked at on the local level and the state level. The only reason the TABOR idea has come forward is that people are frustrated. Government has to seriously look at a tax freeze.

Herro said he has seen a lot of blame. There need to be changes in mediation/arbitration. There have to be changes in health care costs but no one is saying how. He isn't sure if we can reduce taxes through TABOR. We should look at growing manufacturing. How do we get our manufacturing base growing here? How are we going to get it growing through education? It is a service issue. How are we going to have an educated workforce if we keep reducing money spent on education? He is willing to tell courts and the Sheriff's Department that we will reduce staffing if the state will provide legislation to reduce costs and needs. How are you going to reduce redundancy in the state and county? Let's look at the services. It doesn't seem right for the state government to tell counties how to spend their money. To say that we don't care about property taxes is wrong. My property taxes are very high and my state income taxes are outrageous. He said he doesn't know what he gets for his state income taxes. What services are we going to get rid of if we cut/freeze taxes? He thinks we are over-policed with too many people in jail. Mental health and courts are the budget drivers this year. He doesn't know how the state which is in junk bond status, can tell a county in AAA bond status how to do business.

Kanavas said he has been in office for two years and inherited this problem. The blame game is the way the system is set up. It is institutional. You can't raise the money at the state level and then give it to the local level. Businesses like GE don't pay taxes. They have so much depreciation that they don't pay taxes. It is businesses with less than 200 employees that actually pay the taxes. He agrees with Herro on the prison issue. There's a pendulum, when society sees that it is unsafe, it swings too far one way. They are looking at ways to alleviate that. They want to see the tough criminals in prison. Our appetite for Health and Human Services in Wisconsin is unbridled. There are 27 cost drivers in Medicare. How much of it do we have to do and how much can we do is the question. He agrees with Kolb that property taxes are too high. People have

told him that Waukesha County has to do something about property taxes. We have so many seniors in this county that are being driven out of their homes. He keeps hearing that the property taxes need to be reduced.

Haukohl said she thinks Waukesha County is being unfairly criticized by tax freeze proponents for increasing taxes above the tax freeze limits. Waukesha County went above the tax freeze limits because of countywide dispatch. Countywide dispatch is the reason we shifted our taxes. In examining TABOR, have you looked at how it will fit into Wisconsin? Are you going to Colorado to ask legislators if they would vote for it again and what are the issues you've had with TABOR? Have Colorado legislators had any problems with TABOR? What can we do to reduce the problems? There are issues they've had with TABOR?

Kanavas said there's a group of legislators that did go to Colorado and spoke with the governor and legislators. It was recognized that you can't do here what was done in Colorado. That's why the bill is dead. Because of the progressive/liberal government in Wisconsin, there's a lot of shifting in responsibilities done in the state. It is no longer 1919 or 1913 and we have to look at how we fulfill the needs of citizens. We need to fill the needs without extremely pushing up costs. The state has the same problems as the counties. You can't keep providing all the services without cutting other services or increasing costs. The point is that it is all down hill. We have to decide what we are going to do.

Paulson said County Executive Finley has a real position on what core services are. Paulson said he had more phone calls from constituents when the county talked about selling Moor Downs than he did for the tax freeze. We are the lowest taxed county in the state.

Stamsta said this should not be a constitutional amendment. People want taxes cut until we actually cut the services that are important to them.

Krahn said he is pleased that local governments will be at the table to discuss TABOR. There are a number of issues that need to be discussed such as the "ratchet effect," bonding, etc. When local governments talk about the taxpayers, we are talking about the same people. If you were to cut property taxes and shift the expenses to income taxes, you would see a cut in property taxes and a slight increase in income tax because more people would absorb the costs of the taxes.

**Discuss and Consider Ordinance 158-O-138: Amend Capital Project 200108, Justice Facility to Modify Scope and Permit Acceptance of Bid Alternates Nos. 2 and 5**

**MOTION:** Paulson moved, Stamsta second, to approve 158-O-138: Amend Capital Project 200108, Justice Facility to Modify Scope and Permit Acceptance of Bid Alternates Nos. 2 and 5.

Trawicki said the ordinance provides for two items for the jail that were originally billed as alternates. These items include a roof upgrade for future use at a cost of approximately \$105,000 and inclusion of rubber flooring for approximately \$65,000. The rubber flooring will replace a vinyl composite currently in the plan. The rubber flooring will mean less maintenance and noise and more durability. The roof construction of building C will provide future expansion of the third floor and add flexibility to the future of the jail. They want to build these items using contingency funds.

Trawicki said if the county had planned for flexibility when we built the last jail, there's a possibility we wouldn't need to be building this current jail addition. In the long run we can save money. This space can provide 17,500 square feet of dormitory style housing with plumbing. The space could also be used to expand inmate programming or a variety of other uses. This is an option that could put off the building of Phase 2A of this plan. We don't want to think about building more jail space but there is a plan in place for that. Waukesha County isn't getting any smaller and as we continue to grow, there's a natural tendency to

expect the population of the jail to grow. The progress of the Criminal Justice Collaboration Counsel (CJCC) has been positive but no one is under the delusion that it will not completely stop the growth of the jail population. It will slow it down the growth. Trawicki said it is important to provide for the future. He has been told that now is not the time to use money from the contingency fund. Typically using contingency funds occurs further along in a project. This project has a larger contingency fund than other similar projects because it was unknown what would be found when the foundation was dug. The groundbreaking is completed without problems. This is a reasonable amount of money to ask for these projects. The floor/ceiling option is something we need to deal with now.

Cerreta said if we don't provide for expansion now, when it is time to add the next floor on, 18 to 22 pieces of the roofing would have to be removed to build the floor. It would be chaotic to make this change at a later date. It is more convenient to add this now. It doesn't make sense to wait and do it later.

Paulson asked did the extra floor come up as an after thought or is it an oversight? Bolte said it was in the original design as part of the educational center. Trawicki said once it was decided this space once would be an educational center, his department was out of the planning process.

Haukohl asked does Bolte feel comfortable with the amount of contingency fund left over after this project? Bolte said no. This is the largest capital project ever taken on by the county. The board approved the contingency fund for unforeseen circumstances. We are only 8% completed with the project. He is a "Nervous Nellie" with this project and he doesn't want to come back to the board later to ask for more money.

Dwyer said we aren't adding amenities to this project. If the educational center issue had not been brought up, he thinks the space would have been used for something else. The roof design should have been included with the original project.

Herro asked if Kimme could tell us how much other jail projects put into contingency funds? Bolte said new construction contingency funds are generally 4%. Our code provides an 8% contingency for renovations. When planning the jail, they went with a larger fund because of the project size. Also there were a lot of soil problems found during the building of the first jail.

Trawicki said the 20-year plan calls for more cells in 2A. He thinks that by spending \$105,000 now, this will buy the county more options and save money in the future. The old jail design didn't allow any options. He wants to provide future supervisors and sheriffs some flexibility.

Kolb asked is the roof cost effective? Trawicki said yes. Kolb asked what percentage of risk are you taking by doing this now? Trawicki said the risk would be minimal. He said he is looking at the long-term of the jail and feels he has a moral responsibility to save the taxpayers money. At some point we will need to add this floor.

Stamsta said we cut a lot of things in this project to save money. We do have the CJCC whose goal is to reduce the number of people in jail. If we have surplus money in this project, it should go to the collaboration council to help them achieve their goals. Manke said it will cost a lot of money to fill in this space, staff it and maintain it. He thinks there are alternatives.

**MOTION:** Manke moved, Stamsta second, to call for the question. **MOTION CARRIED:** 7-0.

**ON THE ORIGINAL MOTION: Motion carried:** 5-2 (Stamsta and Manke voted no).

**Discuss and Consider Ordinance 158-O-139: Authorize Redemption of General Obligation Promissory Notes, Series 1997, Dated June 1, 1997 and Amend 2004 Adopted Budget to Appropriate Additional Funds to Redeem the Notes**

**MOTION:** Paulson moved, Haukohl second, to approve 158-O-139: Authorize Redemption of General Obligation Promissory Notes, Series 1997, Dated June 1, 1997 and Amend 2004 Adopted Budget to Appropriate Additional Funds to Redeem the Notes.

Director Cummings said this ordinance authorizes the redemption of \$4,800,000 in general obligation debt originally issued by the county in 1997. By taking advantage of a decline in interest rates since 1997, this action will allow a more rapid retirement of the county's 2004 debt issue. Debt maturing in the 2004 – 2006 period bearing interest rates between 4.6% and 4.75% would be retired. The savings would be applied to more rapidly pay down the 2004 debt issue maturities of the same period, with an estimated average rate of about 3.3%. The county's financial advisor has estimated that approximately \$113,400 on a net present value basis (i.e. in 2004 dollars) after expenses could be saved over the period of 2004 – 2014. The 2004 Adopted Budget included \$2 million for principal payment of the 1997 debt due December 2004. This ordinance appropriates an additional \$2.8 million of General Fund balance to pay off the entire \$4.8 million of the remaining 1997 debt.

Director Cummings distributed two handouts titled, "Waukesha County, Wisconsin, General and Special Revenue Funds, Expenditures, Undesignated Fund Balance." He said fund balance is important for emergencies, handling cash flow and revenue and to rating agencies. We look for the best ways to use the funds and don't use it for reoccurring expenditures. Cummings explained that the fiscal note for this ordinance doesn't do a good job explaining how much will actually be saved. The fiscal note shows a savings of \$113,000. There are many factors to include when determining the total savings. He said this isn't like a mortgage. You can't prepay this fund ahead of schedule.

Mader said the concept is that the bond rate is higher than the investment amount. If you carry debt at a higher rate than the investments, it makes sense to pay it down. Director Cummings said we can't invest it because we have too much in the fund, so we need to spend it down. Money from the fund balance pays communities for delinquencies. The amount in the fund could go down quickly in a bad budget year and turn into a negative budget.

Esler asked if post TABOR discussions influenced this? Cummings said TABOR would not encourage refinancing.

**Motion carried: 7-0.**

**Discuss and Consider Ordinance 158-O-137: Authorize Sale of Waukesha County Property on Aviation Drive to Fiduciary Real Estate Development, Inc.**

Kavameier and Mace presented this ordinance. Kavameier said this ordinance authorizes the sale of a 0.36-acre parcel owned by Waukesha County for the sale price of \$48,600. The sale proceeds will be credited and accounted for within the Tarmann Parkland Acquisition Fund. The department indicates that nominal administrative expenses were incurred in the processing of this transaction. This ordinance results in no changes to the budget act for 2004 since no funding is appropriated by this ordinance.

Kavameier presented a PowerPoint presentation outlining the details of the ordinance. The presentation included the following information: the location of and details on the property, Waukesha County Proposed

Development Site Plan, proposed development by Fiduciary Real Estate Development Inc. with and without the acquisition, information on the proposed land sale and advantages to the sale.

Shaver said the advantages to the sale of the property include: less grading, saving trees, use of an existing median cut and creating a safer ingress/egress from Aviation Drive.

**MOTION:** Herro moved, Haukohl second, to approve 158-O-137: Authorize Sale of Waukesha County Property on Aviation Drive to Fiduciary Real Estate Development, Inc. **Motion carried:** 7-0.

### **Wisconsin Counties Association Report**

Dwyer reported on the WCA Legislative Exchange held on February 10 and 11, 2004. Dwyer said overall the exchange was excellent and very well moderated. They heard a lengthy description by Joe Krahn on what is currently going on in Washington including budgetary issues. Another session discussed the “dos and don’ts” when working with the press. Overall it was one of the better content oriented legislative exchanges that he has ever attended.

### **Discuss Ordinance 158-O-140: Transfer Carryover Funds from 2003 Unexpended Appropriations to 2004 Budgeted Appropriations in regards to UW-Extension and Community Development Block Grant (CDBG) Funds**

Daniels, Mojica and Lewinski were present to discuss the ordinance in relation to CDBG carryover funds. Lewinski said in CDBG Administration funds, we carry over money in this fund in case grants end we need to close it out. This isn’t a large amount of money and large costs may accrue. Carryover for the Housing Development Project are uncommitted and unencumbered funds available for the CDBG Board to allocate for out-of-cycle and emergency projects. The Town of Merton Project funds will be paid down. Playground equipment was purchased and will be paid with these funds. Because of the nature of the planning cycle, UW-Extension projects will always be six months behind. Some of their programs cover the school year which falls within two budget cycles.

Lewinski said the Youth Program consists of 35 agencies working on the Waukesha Youth Plan. The needs of this program may be countywide or citywide. The Revolving Loans Program has suspended loans due to the ongoing audit. The carryover funds for this program consists of funds returned on housing development projects to be revolved for future projects approved by the HOME Board.

Esler asked about the funding for the Safe and Sound Program. Lewinski said this program is one of the 35 participants of the Youth Program. Safe and Sound took a large hit this year. Last year, they received \$230,000 in funding and this year they will receive \$140,000. Lewinski fears they will offset the loss of funding with block grant money. The HOME Administration fund has some carryover funds to pay for technical assistance and administrative costs. They will get more money in 2004 for this program. The CHDO Reserve carryover is due to federal necessity. We are above and beyond the HUD regulations on this fund. The County Allocation Projects has a large amount to be carried over due to computer problems. Money will be drawn down from this fund in the next two weeks. Lewinski said they have allocated funds for 2004 but they do not know how much they will be gifted.

### **Discuss the Haertel Field and Phoenix Heights Neighborhood Revitalization Strategy Evaluation Report**

Wilberg gave a PowerPoint presentation on the Neighborhood Revitalization Strategy Evaluation for the Haertl Field and Phoenix Heights Neighborhoods. She distributed a hardcopy of the PowerPoint presentation to the committee members. Neighborhood Revitalization Strategy Evaluation (NRSA) is an official HUD designation. There are two NRSA areas in Waukesha County, Haertel Field and Phoenix Heights. The

NRSA designation allows greater flexibility for CDBG funds and attracts other funding to the areas. HUD required 1990 Census information to be used for NRSA qualification. She reviewed the neighborhoods' profiles and goals as outlined in the presentation. She said the tricky thing with HUD is that sometimes you have boundaries that don't meet the typical definition of the neighborhoods.

Wilberg said the major component of the evaluation was in-depth telephone interviews with 25 stakeholders and 138 neighborhood residents. The interviewers asked questions addressing the following issues: public-private collaboration, resident involvement, resource development and coordination, economic empowerment, quality of life and future of the neighborhoods. Wilberg reviewed the results as outlined in the presentation and handout.

Esler asked who selected the stakeholders? Wilberg said she put together an initial list and then asked around the community to verify her candidates and to also find additional people who were involved in the neighborhoods. She wanted to make sure the list included a good mix of attitudes. She wanted people who were cheerleaders for the neighborhoods along with naysayers and people with in-between attitudes. Stakeholders included elected officials, church leaders, community leaders, etc. Some of the stakeholders were from the following agencies: Saratoga Schools, WKPD, YWCA, La Casa, City of Waukesha, Metro Transit, Housing Authority, CDBG, Safe and Sound, WCTC, YMCA, United Way, Medina Gym, etc. Wilberg said she did not make the phone calls to the stakeholders. The phone calls were handled by a different agency. Several other agencies provided research and census data for the evaluation.

Wilberg said the difficult part of surveying these areas is that it is hard to get data on the specific addresses of the neighborhoods. They requested information from the City of Waukesha Police Department on crimes and calls within the neighborhoods. She could get crime statistics on larger areas but was unable to get crime statistics for the specific areas. The data does exist but there are some technical and political issues that do not allow them to get the specific data from the City of Waukesha. It was frustrating to know the data existed but the readiness of the data in a useable form was unavailable. She is recommending to UW-Extension to find four bottom-line issues that they want statistics on, and to work with the city to get those statistics in the future.

Kallin said he lives in the Phoenix Heights Subdivision. They sponsored a town hall meeting for residents to address crime statistics in the neighborhood. Captain Babe of the City of Waukesha Police Department sent a Lieutenant to the meeting with crime statistics pulled by address. It was reported that Phoenix Heights has 15% less crime per capita than the entire City of Waukesha. He also reads the crime blotter in the Waukesha Freeman daily and overall there seem to be fewer police calls in Phoenix Heights than in other parts of the City.

Wilberg said the 2000 census data reveals that the number of working poor in the City of Waukesha has joined the two neighborhoods together. Wilberg said the evaluation revealed that the perception of the neighborhoods is better and people find the access to resources has improved. She thinks the programs need to find a better way to track statistics. The things done in the neighborhoods have built a sense of security and community but something needs to be done to tackle the employment and training and transportation needs of these communities. Changes to these neighborhoods will be achieved one person at a time. The easiest way to fix this problem is to move higher income people into the neighborhoods.

### **Motion to Adjourn**

**MOTION:** Haukohl moved, Manke second, to adjourn the meeting at 2:37 p.m. **Motion carried:** 7-0.

Respectfully submitted,



Executive Committee  
February 16, 2004

Duane E. Paulson  
Secretary